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CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
February 2012 Grand Jury

UNITED STATES OF AMERICA,  
Plaintiff,  
v.  
AAA CASH ADVANCE, INC. and  
DIANA BRIGITT,  
Defendants.

CR No.

CR12-0559

I N D I C T M E N T

[31 U.S.C. §§ 5324(a)(1),  
(d)(2): Causing a Financial  
Institution to Fail to File a  
Currency Transaction Report;  
31 U.S.C. §§ 5318(h), 5322:  
Failure to Maintain an  
Effective Anti-Money  
Laundering Program; 18 U.S.C.  
§ 2: Aiding and Abetting and  
Causing an Act to be Done; 31  
U.S.C. § 5317(c): Criminal  
Forfeiture]

The Grand Jury charges:

INTRODUCTORY ALLEGATIONS

At all times material to this Indictment:

A. THE BANK SECRECY ACT

1. The Bank Secrecy Act ("BSA"), codified at Title 31, United States Code, Sections 5313-5326, was a set of laws and regulations enacted by Congress to address an increase in criminal money laundering through financial institutions.

1        2. Check cashers qualified as financial institutions  
2 within the meaning of the BSA. A check casher was someone  
3 engaged in the business of cashing checks for other people in  
4 amounts greater than \$1,000 in currency (such as cash) or other  
5 monetary instruments, for any person, on any day, in one or more  
6 transactions. A check casher would typically charge a fee for  
7 this service. Check cashers enabled people to cash checks  
8 without having to go to a bank or otherwise have a bank account.

9        3. One of the BSA mechanisms to uncover criminal activity  
10 conducted through financial institutions was a requirement that  
11 check cashers and other financial institutions file a "Currency  
12 Transaction Report" ("CTR"), FinCEN Form 104, with the Department  
13 of the Treasury, for any transaction involving more than \$10,000  
14 in currency.

15        4. Title 31, United States Code, Section 5313(a) and  
16 related regulations, including Title 31, Code of Federal  
17 Regulations ("C.F.R."), Section 103.22(c), required that  
18 financial institutions such as check-cashers treat multiple  
19 currency transactions as a single transaction and file a CTR if  
20 the financial institution had knowledge that the multiple  
21 transactions were by or on behalf of any person and resulted in  
22 either cash in or cash out totaling more than \$10,000 during any  
23 one business day.

24        5. A CTR consisted of three parts. Part I required the  
25 financial institution to verify and accurately record the name  
26 and address of the individual who conducted a reportable currency  
27 transaction, as well as to accurately record the identity, social  
28 security number, or taxpayer identification number of any person.

1 or entity on whose behalf the currency transaction was conducted.  
2 Part II required the financial institution to record the date,  
3 the amount of the transaction, and the form of the transaction.  
4 Part III required the name of the financial institution where the  
5 transaction occurred, the person completing the CTR, and the  
6 person approving the completion and filing of the CTR.

7 6. CTRs were filed with the Financial Crimes Enforcement  
8 Network ("FinCEN"), a bureau of the Department of the Treasury.

9 7. In addition, the BSA required check cashers to develop,  
10 implement, and maintain an effective anti-money laundering  
11 program reasonably designed to prevent the check casher from  
12 being used to facilitate money laundering. Title 31, C.F.R.  
13 § 1022.210, eff. Mar. 1, 2011, formerly Title 31, C.F.R. §  
14 103.125. The program was required to have written policies,  
15 procedures and controls governing the verification of customer  
16 identification, the filing of reports such as CTRs, the creation  
17 and retention of records, responses to law enforcement requests,  
18 and other compliance with BSA requirements. As part of the  
19 program, the check casher was required to have a compliance  
20 officer, who was responsible for assuring that the business  
21 complied with all BSA requirements.

22 8. Despite these regulations, check cashers were still a  
23 common venue for individuals who wanted to cash large numbers of  
24 checks anonymously to facilitate fraud and money laundering  
25 schemes, particularly in the area of health care fraud.  
26 Individuals engaged in such conduct commonly converted the  
27 proceeds of their fraud into cash by presenting checks to check  
28 cashers who they knew would not ask for proof of the payee's

1 identity and would either file CTRs with false information or not  
2 file CTRs at all.

3 B. THE DEFENDANTS

4 9. Defendant AAA Cash Advance, Inc. ("AAA") was a check  
5 cashing business incorporated in the State of California, with  
6 its principal place of business at 1771 West Jefferson Boulevard,  
7 Los Angeles, California, within the Central District of  
8 California. Defendant AAA was registered with FinCEN as a money  
9 service business and was a "financial institution," as that term  
10 is defined in Title 31, United States Code, Section 5312(a)(2)(k)  
11 and accompanying regulations. As a result, defendant AAA was  
12 subject to the CTR reporting requirements of the BSA.

13 10. Defendant DIANA BRIGITT ("defendant BRIGITT") was the  
14 manager of defendant AAA. Defendant BRIGITT oversaw the day-to-  
15 day operations of defendant AAA, such as supervising the front  
16 desk employees, approving transactions, and withdrawing currency  
17 from defendant AAA's bank accounts for operational purposes.

18 C. CHECK CASHING CONDUCT AT DEFENDANT AAA

19 11. Beginning in or around August 2010, and continuing  
20 through in or around February 2012, defendant BRIGITT, on behalf  
21 of defendant AAA, repeatedly cashed bundles of checks totaling  
22 over \$10,000 in one business day, knowing that the multiple  
23 transactions were by and on behalf of one person, without filing  
24 a CTR.

25 12. Initially, the checks were written on the account of a  
26 non-existent health care business. Later, the checks were  
27 written on the account of a fictitious physician. The checks  
28 were presented to defendant BRIGITT by a confidential witness

1 ("CW") who presented himself as the owner of the health care  
2 business and the medical practice on whose accounts the checks  
3 were drawn. The checks were made out to a variety of fictitious  
4 individuals and entities.

5 13. At times, defendant BRIGITT herself accepted the  
6 bundled checks from the CW. At other times, the CW placed the  
7 checks in an envelope and delivered it to an employee of  
8 defendant AAA with instructions to deliver the envelope to  
9 defendant BRIGITT.

10 14. Defendant BRIGITT or other individuals would deposit  
11 the bundled checks into defendant AAA's bank accounts and the  
12 bank accounts of other check cashing companies. Several days  
13 later, defendant BRIGITT would return, or cause the return, of  
14 currency in excess of \$10,000 to the CW. Defendant BRIGITT  
15 delivered the currency in excess of \$10,000 either directly to  
16 the CW or by directing an employee of defendant AAA to provide  
17 the currency to the CW or by leaving the currency in an envelope  
18 for the CW to pick up from one of the other employees of  
19 defendant AAA.

20 15. In exchange for this service, defendant AAA charged a  
21 fee of 3% of the total transaction amount.

22 16. At no time during this period did defendant BRIGITT,  
23 defendant AAA, or any of the employees of defendant AAA ask the  
24 CW for any identification or any identification documents  
25 regarding either the payors or payees named on the checks the CW  
26 presented.

27 17. In order to have currency to provide to its customers,  
28 defendant BRIGITT and other employees with defendant AAA made

1 cash withdrawals in excess of \$10,000 from defendant AAA's bank  
2 accounts and other check cashing companies' accounts. Defendant  
3 AAA's banks, in turn, would file CTRs on such currency  
4 withdrawals.

5 18. From in or about January 2008, until in or about  
6 February 2012, defendant AAA's banks filed CTRs indicating that  
7 defendant AAA had withdrawn approximately \$5 million in cash  
8 withdrawals of more than \$10,000 each. Defendant AAA, on the  
9 other hand, filed only 7 CTRs during the same time period for  
10 currency that it had provided to its customers in amounts greater  
11 than \$10,000 on any single day. Furthermore, defendant AAA did  
12 not file any CTRs for transactions in which it provided amounts  
13 greater than \$10,000 to the CW in a single day.

## COUNTS ONE THROUGH EIGHT

[31 U.S.C. §§ 5324(a)(1), (d)(2); 18 U.S.C. § 2]

19. The Grand Jury hereby repeats and realleges paragraphs 1 through 18 of this indictment, as though fully set forth herein.

20. On or about the dates set forth below, within the Central District of California and elsewhere, defendant BRIGITT, knowingly and for the purpose of evading the reporting requirements of Section 5313(a) of Title 31, United States Code, and the regulations promulgated thereunder, did cause and attempt to cause AAA, a domestic financial institution, to fail to file a report required under Section 5313(a) of Title 31, specifically, a Currency Transaction Report - FinCEN Form 104, for the transactions set forth below:

COUNT	APPROXIMATE TRANSACTION DATE	CHECK NUMBERS	CASH TOTAL
1	8/12/10	1049, 1050, 1051, 1061, 1062, 1063	\$13,580
2	9/2/10	1034, 1035, 1036, 1052, 1053, 1054	\$11,640
3	10/8/10	1076, 1077, 1078, 1082, 1083, 1084	\$11,640
4	12/13/10	1091, 1092, 1093, 1097, 1098, 1099	\$11,640
5	2/5/11	1065, 1017, 1106, 1107, 1108	\$10,670
6	11/9/11	126, 127, 128, 129, 130, 131	\$10,670
7	2/2/12	132, 133, 134, 135, 1196	\$13,580
8	2/13/12	136, 137, 138, 139, 140, 141, 1151	\$17,000

COUNT NINE

[31 U.S.C. §§ 5318(h) and 5322; 18 U.S.C. § 2]

21. The Grand Jury hereby repeats and realleges paragraphs 1 through 18 of this Indictment, as though fully set forth herein.

22. From in or about August 2010, and continuing until in or about February 2012, in the Central District of California and elsewhere, defendants AAA, a domestic financial institution and money services business, and BRIGITT, did willfully violate the Bank Secrecy Act, Title 31, United States Code, Sections 5318(h)(2) and 5322, and regulations issued thereunder, specifically, Title 31, Code of Federal Regulations, Section 103.125(a) (now renumbered Section 1022.210(a)), by failing to develop, implement, and maintain an effective anti-money laundering program.

23. Specifically, defendants AAA and BRIGITT knowingly and willfully failed to implement and maintain effective policies, procedures, and internal controls for defendant AAA for (1) verifying customer identification, in particular as to customers receiving in excess of \$10,000 in currency in a single day, as required by the BSA; and (2) filing CTRs for currency transactions in excess of \$10,000 conducted by or on behalf of the same person on the same day.

24. Defendants AAA and BRIGITT took actions designed to prevent the implementation and maintenance of an effective anti-money laundering program, in that they:



1           i.     failed to file CTRs as required for currency  
2 transactions exceeding \$10,000 that were conducted by or on  
3 behalf of the same person on the same day;

4           ii.    cashed checks for fictitious payors without  
5 obtaining any identification from the purported owner of the  
6 payors;

7           iii.   instructed the CW on methods for avoiding  
8 detection of the fact that the CW was cashing over \$10,000 in  
9 checks in a single day, such as making the checks out in small  
10 amounts, and making them payable to individuals and unknown  
11 businesses rather than recognizable, real businesses;

12          iv.    cashed checks made out to payees defendant BRIGITT  
13 knew to be fictitious and to additional fictitious payees without  
14 requiring any identification documents regarding the payees; and

15          v.     delivered the cash to the ostensible payor on the  
16 checks rather than the purported payees.

FORFEITURE ALLEGATION

[31 U.S.C. § 5317(c)]

1. The Grand Jury incorporates and realleges all of the allegations contained in the Introductory Allegations and Counts One through Eight of this Indictment above as though fully set forth in their entirety herein for the purpose of alleging forfeiture pursuant to the provisions of Title 31, United States Code, Section 5317(c).

2. Defendant BRIGITT, if convicted of any of the offenses charged under Counts One through Eight of this Indictment, shall forfeit to the United States the following property:

a. All right, title, and interest in any and all property involved in the offense committed in violation of Title 31, United States Code, Section 5324(a)(1), for which defendant BRIGITT is convicted, and all property traceable to such property, including the following:

(1) all money or other property that was the subject of each transaction conducted in violation of Title 31, United States Code, Section 5324(a)(1);

(2) all property traceable to money or property described in this paragraph 2.a.(1).

b. A sum of money equal to the total amount of money involved in each offense committed in violation of Title 31, United States Code, Section 5324(a)(1), for which defendant BRIGITT is convicted.

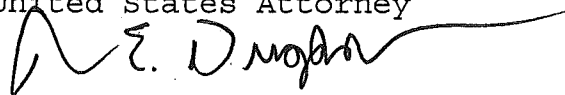
3. If, as a result of any act or omission by defendant BRIGITT, any of the foregoing money or property (a) cannot be located upon the exercise of due diligence; (b) has been

1 transferred or sold to, or deposited with, a third party; (c) has  
2 been placed beyond the jurisdiction of the court; (d) has been  
3 substantially diminished in value; or (e) has been commingled  
4 with other property that cannot be subdivided without difficulty,  
5 then any other property or interests of defendant BRIGITT, up to  
6 the value of the money and property described in the preceding  
7 paragraph of this Indictment, shall be subject to forfeiture to  
8 the United States.

9 A TRUE BILL

10  
11 151  
12 Foreperson

13 ANDRÉ BIROTTE JR.  
14 United States Attorney

15   
16 ROBERT E. DUGDALE  
17 Assistant United States Attorney  
18 Chief, Criminal Division

19 RICHARD E. ROBINSON  
20 Assistant United States Attorney  
21 Chief, Major Fraud Section

22 CONSUELO S. WOODHEAD  
23 Assistant United States Attorney  
24 Deputy Chief, Major Frauds Section

25 DAVID KIRMAN  
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28 JENNIFER SHASKY CALVERY  
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